

## Appendix Four

### Requirements for Section 8 HAP Contracts

#### Project A

	<b>Contract A -Existing HAP</b>	<b>Contract A1</b>	<b>Contract A2</b>
<b>Project A</b>  <b>Transfers all budget authority</b>	If all of the remaining budget authority will be transferred from Project A to Project(s) B, Contract A will be terminated by mutual agreement and the budget authority associated with Contract A will be transferred to Project(s) B.		
<b>Project A</b>  <b>Transfers some budget authority, retains some budget authority</b>	If a portion of the remaining budget authority will remain at Project A, Contract A is split into two or more contracts (e.g., Contract A1, Contract A2, etc.) <u>prior to termination of Contract A.</u>	<p>The budget authority associated with Contract A1 will remain at the project.</p> <p>Owner A executes Amendment A (Appendix Two A) to HAP Contract A1.</p> <p>Once amended, Owner A agrees to terminate Contract A1 on the same day and renew for a 20-year term under any option for which Project A is eligible, and execute the Preservation Exhibit (Appendix Three), requiring Owner A to renew the contract upon expiration, for at least the number of years remaining on Contract A1 at the time of termination and renewal.</p>	Contract A2 will be terminated by mutual agreement, and the budget authority associated with Contract A2 (and others, if applicable) will be transferred to Project(s) B.

## Project B

	Existing HAP	No HAP
<b>Project B</b>	<p>If there is an existing Section 8 HAP contract, Owner B and the contract administrator must execute Amendment B (attached as Appendix Two-B).</p> <p>Owner B and the contract administrator must mutually agree to terminate amended Contract B, and on the same day, Owner B and the contract administrator must execute a renewal of Contract B for a 20-year term, subject to appropriations, under any MAHRA renewal option for which Contract B is eligible. In addition, the Preservation Exhibit (Appendix Three) must be attached to the renewal contract and completed.</p>	<p>If there is no existing Section 8 HAP contract, Owner B and the contract administrator must execute a new regulation Part 880 project-based Section 8 HAP contract (Appendix One) with a one-day term. On the same day, Owner B and the contract administrator will also execute a Renewal Contract, effective at the end of the one-day term, the Renewal Contract will be renewed under any renewal option for which Project B is eligible and the budget authority transferred to a 20-year Renewal Contract under MAHRA.</p>